

Police Pension
Board of Trustees Meeting
April 16, 2014 – 7:00PM
Town Hall - 343 Highland Road

Attendees:

Thomas Blakey (T.P.D. Police Chief); Denise Saurette (Town Treasurer); Sean Frodyma (T.P.D.); Peter Miniati, Washington Trust; Rogean Makowski, Washington Trust; Joan Caine, Washington Trust; Matt Wojcik, Town Administrator; James Arruda, Councilman

Meeting Objectives:

1. Approval of Minutes from January 8, 2014 Board Meeting
2. Presentation by Washington Trust regarding pension investments
3. Discussion and possible vote(s) to establish schedule of future Police Pension Board meetings
4. Discussion regarding State of Rhode Island regular update on fund status

Call to Order: at 7.06 PM by: Matt Wojcik

Open Meeting:

1. Approval of Minutes from January 8, 2014 Board Meeting –

Chief Blakey made a Motion to approve the Minutes.

Seconded by Sean Frodyma.

ALL IN FAVOR, no objections.

2. Presentation by Washington Trust regarding pension investments

Presentation was made by Peter Miniati, Joan Caine and Rogean Makowski of Washington Trust. Washington Trust took over as of February 27, 2014. They reviewed the two documents – **2014 Outlook, Economy & Markets** and the **Tiverton Police Pension Plan Account package**.

Discussed how portfolio is structured. Improved funding status. Value of portfolio as of 3/31/2014 was \$8.7M – 70% equity or stocks and 30% fixed income (bonds). Optimistic on stock market.

Built hybrid portfolio. Tiverton gets the benefit of the efficiency. It is a well diversified portfolio. Mainly invested in our growth portfolio. Diversified on an individual basis as well.

Fixed Income is challenging – that is why we have higher allocation to equities at 70%.

Transition from Bank of America to Washington Trust went smoothly. Sold out stocks that didn't think would be helpful.

Talked about short duration bonds. Price of bonds is not like a stock. Interest rates drive bonds. When interest rates are falling, bonds goes up. Bonds are going to start to taper. Bonds no longer safe, conservative investment.

We are earning a decent yield on fixed income portfolio.

We have a short duration portfolio -- well protected and diversified. Maturity is short (less than 2 years) but still earning a decent yield.

M. Wojcik asked how many accounts Washington Trust has of this size. Washington Trust responded majority of their municipal accounts do fall into \$7.5 – \$15M range. This is a growing part of their business.

Washington Trust is extremely responsive. Pensioners can call them directly.

Wash Trust has 575 employees. They are a team of 4 professionals who are looking at this on a regular basis. There is ongoing communication.

Matt asked how close are we to getting out of Critical Status? – Denise said 2016/2017. We have been at \$800,000 for the past 2 years. Now we are 50% funded.

The meeting continued on to Agenda Item # 3..

3. Discussion and possible vote(s) to establish schedule of future Police Pension Board meetings

Decision was made for the Pension Board to meet quarterly in the months of **March, June, September and December. All meetings will be held at 10:00 am.**

Washington Trust will attend meetings twice per year – in the months of March and September and provide a one sheet summary in June and December.

Next Scheduled Meeting will be Wed, September 17, 2014 (3rd Wednesday in September) at 10:00 am at the Tiverton Town Hall.

Meetings for remainder of 2014:

Wednesday, Sept 17, 2014 at 10:00 am (includes Washington Trust)

Wednesday, Dec 17, 2014 at 10:00 am

Chief Blakey made a Motion to approve meeting schedule.

Seconded by Sean Frodyma.

ALL IN FAVOR, no objections.

4. Discussion regarding State of Rhode Island regular update on fund status

Discussed the Funding Improvement Plan Update. The Town's contribution was \$700,000 in 2013; \$825,000 in 2014 and \$800,000 planned for 2015. It is substantially over the arc.

Town should emerge from Critical Status in 2016/2017.

That is what we submitted.

**Motion to Adjourn Meeting was made at 7:48 pm by Denise Saurette. The Motion was Seconded by Sean Frodyma.
ALL IN FAVOR, no objections.**